



State of California

Employment Training Panel

Arnold Schwarzenegger, Governor

June 23, 2008

Jim Meyer, President
Aviation Repair Solutions
1480 Canal Avenue
Long Beach, CA 90813

Dear Mr. Meyer :

RE: FINAL MONITORING VISIT REPORT for Aviation Repair Solutions – ET07-0342

Date of the Visit:	6/20/08
Beginning/Ending Time:	9:30 a.m. – 11:30 a.m.
Date of Last Visit:	8/29/07
Visit Location:	Long Beach
Persons in attendance:	Jim Meyer, President, Aviation Repair Solutions Marissa Tolentino, ETP Analyst
Action Required:	Yes

CONTRACT INFORMATION:

Term of Agreement:	5/8/07 – 5/7/08	Agreement Amount:	\$45,292
Training Start Date:	5/16/07	No. to Retain:	13
Date Training must be Completed:	2/7/08	Range of Hours:	24 - 180
Type of Trainee:	Retrainee	Weighted Ave. Hours:	134

FINAL REPORT SUMMARY:

The Agreement was executed on June 1, 2007 and training began on May 16, 2007. You reported that all training was completed February 6, 2008, which allowed for the 90-day retention period to be completed within the term ending date of the Agreement of May 7, 2008.

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1100 J Street, 4th Floor
SACRAMENTO, CA 95814
(916) 327-5640

N. HOLLYWOOD REGIONAL OFFICE
4640 Lankershim Blvd., Suite 311
NORTH HOLLYWOOD, CA 91602
(818) 755-1313

S.F. BAY AREA REGIONAL OFFICE
1065 East Hillsdale Blvd, Suite 415
FOSTER CITY, CA 94404
(650) 655-6930

SAN DIEGO REGIONAL OFFICE
5353 Mission Center Road, Suite 110
SAN DIEGO, CA 92108
(619) 686-1920

You stated that 13 trainees (100%) specified on Exhibit A: Payment Details Chart of the Agreement completed training and the 90-day retention period. However, you will earn approximately \$34,430.5 (76%) of the total ETP Agreement amount of \$45,292.

This Agreement is based on a variable reimbursement training plan. Aviation Repair Solutions is reimbursed for the exact number of training hours provided to each trainee completing between 24 to 180 hours of Class/Lab training in either Continuous Improvement or Manufacturing Skills. The ETP Class/Lab Tracking Report shows that you have delivered 1,324.25 class/lab training hours for 13 trainees who meet the minimum hours which is equivalent to \$34,430.50. Since you have been paid \$12,194 to date, you will receive an additional \$22,236.50 if the anticipated number to retain is verified during the final fiscal closeout.

You indicated that you did not earn 100% of the Agreement Amount because the company unexpectedly received a lot of business during the term of the Agreement. This prevented trainees from attending additional ETP training. However, with the training provided, you stated that workers "learned new ways of doing things that was more efficient, workers document their work better, and they learned new manufacturing skills which improved the quality of their work". In addition, through training in Non-Destructive testing, you are able to offer customers this service which will create additional revenues for the company.

You stated that you did not experience any problems in ETP recordkeeping. You reported that you were initially concerned when your administrative subcontractor, Lexicon Training Services dissolved their business and you were left to continue with the ETP administrative functions on October 2007. However, after you and your staff learned the ETP Online System and the ETP Tracking System, you realized how easy it is to administer this project. In hindsight, you stated that you could have done the ETP application and administration without the help of a consultant as mentioned by Ms. Tolentino to you during the site visit. You indicated that on your next ETP application which may occur in four to five months, you will work directly with ETP staff without hiring a consultant. You suggested that ETP should do more publicity about the program and inform prospective small business contractors that they do not need a consultant to help them submit an application or manage the ETP project. Ms. Tolentino informed you that ETP's Marketing Unit is actively promoting our program to California employers especially to small business employers.

PROJECT STATUS PROVIDED BY THE CONTRACTOR:

Trainees Started Training:	16	Completed Training:	13
Trainees Enrolled:	16	Completed Retention:	13
Dropped Following Enrollment:	3	In Retention Period:	0
No. Completed Minimum Reimbursable Hours :	13		

You indicated that your statistics are in agreement with the information outlined on the ETP Contract Status Report.

ATTENDANCE ROSTERS:

During this visit, Ms. Tolentino reviewed Class/Lab Rosters of 13 Job 1 trainees billed on Invoices 1 through 3 covering the period May 16, 2007 through February 6, 2008.

The Rosters reviewed contained the information required by ETP regulations; confirmed that the Agreement curriculum was provided as specified; verified that you are in compliance with the ratio of one trainer to 20 retrainees specified in the Agreement Training Plan;

The Contractor's tracking records matched the training hours reported on the applicable Class/Lab Rosters and validated the invoices for the completion of the required eight hours of training for enrollment and the Total Class/lab Training hours required in this Agreement

You were informed that the above findings are based only on the training records reviewed during this visit and you should verify that all your records are in conformance with ETP requirements for auditing purposes. [Reference: Title 22 California Code of Regulations, Section 4442(b)]

FINAL INVOICE:

Ms. Tolentino advised you that the Final Invoice must be submitted within 30 days from the expiration date of the Agreement and if more time was required, you should request for an extension by writing to Kulbir Mayall, Fiscal Manager in the ETP Sacramento office.

AUDIT:

Aviation Repair Solutions will be notified in writing if this agreement is selected for an audit, conducted either at your site (field audit) or by telephone (desk audit or "review"). The Audit Notification and Audit Confirmation letters will be sent in advance to allow ample preparation time and will include a list of documents that will be examined by the auditor. To provide support of training, original training attendance documentation is required; photocopied records are not acceptable. Listed below are types of records typically requested during an ETP field audit:

- Training attendance records such as rosters, sign-in sheets, etc.
- Payroll records of individual trainees to verify wage and hours worked
- Personnel records regarding occupation and dates of employment
- Documentation of employer paid health benefits (if applicable)
- Cash receipts to verify receipt and accounting of ETP funds

RECORD RETENTION:

Records must be retained within your control and be available for review at your place of business within the State of California. This responsibility will terminate no sooner than four (4) years from the date of the termination of the Agreement or three (3) years from the date of the last payment by ETP to the Contractor, or the date of resolution of appeals, audits, claims, exceptions, or litigation, whichever is later.

If you have any questions or comments regarding this report, please contact Ms. Tolentino at (818) 755-1311 or by email at MTolentino@etp.ca.gov within ten (10) working days from the receipt of this letter.

Sincerely,

SIGNATURE ON FILE

Dolores Kendrick, Manager
North Hollywood Regional Office

SIGNATURE ON FILE

Marissa Tolentino, Monitoring Analyst
North Hollywood Regional Office

cc: Amber Luiz, Assistant Director (for Small Business Projects only)
David Guzman, Chief, Program Operations Division
Kulbir Mayall, Manager, Fiscal and Certification
Master File
Project File

Date report mailed to Contractor 7/3/08